(a) the number of claims pending with four non-life Public Sector Undertaking Insurance companies during the last three years claim-wise, age-wise and amount-wise;

(b) whether Government's attention has also been drawn to the violations of Insurance Regulatory Development Authority guidelines by these Insurance Companies in settlement of the claims; and

(c) if so, what action is being taken by Government to clear the backlog at the earliest and to ensure that IRDA guidelines are strictly followed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The information is being collected and will be laid on the table of the House.

(b) and (c) Section 14(2)(b) of the Insurance Regulatory and Development Authority Act, 1999 empowers Insurance Regulatory and Development Authority (IRDA) for protecting the interest of the policy holders including matters relating to settlement of claims. The Authority in terms of the power conferred on it under IRDA Act, 1999 has issued IRDA (Protection of Policyholders' Interests) Regulations, 2002 on 26th April, 2002. One of the important features of the Regulations relates to the settlement of claims by Insurance Companies within a stipulated time frame. On the event of default for payment of dues within the stipulated period to the insured or its nominee, the Insurance Companies are liable to pay interest at a rate which is 2% above the bank rate prevalent at the beginning of the financial year. The IRDA has ensured widespread publicity on claims settlement procedures and taken steps to educate the insured on the provisions contained in the Protection of Policyholders' Regulations.

Issue of PAN Cards

946. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that from 1st July, 2003 for getting Permanent Account Number (PAN) people will have to pay a sum of Rs. 65/-; and

(b) if so, the details thereof and the reasons therefor? .

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir.

In the Budget Speech 2003, a basket of reforms in tax administration was announced. Outsourcing of non-core activities of Income Tax Department was a vital component of these reforms and Pan related services were identified as a non-core activity.

The Income Tax Department accordingly outsources a part of business process relating to issuance of PAN cards to UTI Investors Services Limited (UTIISL).

In pursuance of this arrangement, UTI Investor Services Limited (UTIISL) has set up Income Tax PAN Centres in all cities or towns where there is an Income Tax Office. The UTIISL has been authorized to charge Rs. 5/- for each application form and Rs. 60/- towards processing and delivery in respect of each PAN Card issued.

Scheme for Disclosure of Black Money

947. MISS MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether Government are planning to offer some voluntary disclosure of income scheme in order to convert unaccounted money into accounted one;

(b) whether Government are aware of the magnitude of unaccounted money in the country; and

(c) whether it is fact that after this conversion Government revenue could go up to existing size of the Union Government budget proposals of Rs. 4 lakh crores?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) There was study made by the National Institute of Public Finance and Policy in 1983-84 which estimated unaccounted money between 31,584 crores to Rs. 36,786 crores. No estimate is available on the amount of black money in the country at present.

(c) Does not arise in view of (a) above.